

Section 2 – Client Services

I. Client Solicitation

Each subgrantee should publicize the WAP within its geographic area with special attention given to the recruitment of priority groups through:

- Placement of WAP information on applications for other services.
- Public outreach through presentations to local civic groups, churches, schools and others.
- Media efforts through television, radio, newsprint and social media.

II. Client Eligibility

The state income guidelines are set at 200 percent (200%) of poverty to comply with the Federal WAP regulations. The annual revisions of poverty income guidelines are usually published in the *Federal Register* in February. The DED/DE will forward DOE's Annual Poverty Income Guidelines and Definition of Income Weatherization Program Notice to each subgrantee. (See Attachment 2-1 at the end of this section for income guidelines.)

A subgrantee is authorized to serve clients whose names appear on Low-Income Home Energy Assistance Program (LIHEAP) lists. The Missouri Department of Social Services/Family Support Division LIHEAP list should be used by a subgrantee when its waiting list has an insufficient number of clients within any priority to meet the agencies approved client targets. LIHEAP clients must meet the weatherization income guidelines.

A. Definition of Income

Income refers to total annual cash receipts before taxes from all sources, with the exceptions noted in *Attachment 2-1*. Income data for a part of a year may be annualized in order to determine eligibility. For example, multiplying by four the amount of income received during the most recent three months prior to the date of the application.

B. Income Verification

All household income for a minimum of three calendar months prior to the date of the application must be recorded by the subgrantee to verify the income eligibility (unless income is certified by an outside federal agency, such as LIHEAP or HUD). If the application is dated April 24, for instance, all household income from January, February, and March of that year would need to be documented. **NOTE: All household income must be considered, regardless of the wage earner's age.** (Please see Attachment 2-1 for more information.)

Income documentation is required for **all wage earners who reside in the home**. If an individual adult (over the age of 19) claims no income, a written statement declaring such, which is signed by that individual, is sufficient documentation and must be kept in the client file as well as uploaded to MoWAP. If no one in the home claims any income, a notarized zero-income form must be completed and signed by the applicant. **NOTE: If the applicant and/or all household members are 19 years or younger, then a notarized zero-income form must be completed and signed by the applicant.**

All household income sources must be entered on the MoWAP client file. MoWAP verifies the client's annualized income eligibility using the Poverty Income Guidelines published in the *Federal Register*. **Bank statements and tax returns may not be used for income verification. (Tax returns are only allowed if the client is self-employed.)**

NOTE: When calculating income based on a client's Social Security Benefit Letter, the medical insurance premium deduction, such as Medicare, is considered an income exclusion and should not be included in the income calculation. (See Attachment 2-8 for step by step instructions to obtain an on-line Social Security Benefit Statement Letter)

Households that contain a member who has received cash assistance payments under Title IV - *Grants To States For Aid And Services To Needy Families With Children And For Child-Welfare Services* (Temporary Assistance for Needy Families - TANF) or Title XVI - *Supplemental Security Income For The Aged, Blind, And Disabled* (SSI) of the Social Security Act or applicable State or local law at any time during the 12-month period preceding their income verification, are automatically eligible for weatherization assistance. **Social Security Disability Insurance (SSDI) is not considered SSI, and must be included in the overall household income.**

Households that have been deemed income eligible for LIHEAP assistance may use their LIHEAP eligibility as verification of income. The **only allowable document** to use as proof that the client's income was verified as "income eligible" for LIHEAP assistance is a printout of LIHEAP form E1PY (LIHEAP Payment Information screen) which the Missouri Division of Social Services/Family Support Division has made available to each subgrantee through that subgrantee's LIHEAP program. See Attachment 2-7 for an example of this document.

NOTE: If the LIHEAP E1PY form (LIHEAP Payment Information screen) shows zero income for the household, a Zero Income form does not have to be completed.

C. Income Reverification

Income must be reverified if the initial verification is a year old before the home becomes a, "home in progress". A home in progress is a home for which one of the following applies: (1) energy conservation measures (ECMs) have actually commenced, (2) specialty items have been ordered that cannot be returned to the vendor or (3) the home has been awarded to a contractor. The commencement of work does not include the hanging of smoke or carbon monoxide detectors.) **Completion of an energy audit does not constitute an actual start date.**

In addition, if the home does not become a "home in progress" within six (6) months of the energy audit date, the subgrantee must return to the home and perform an on-site inspection to determine if any conditions have changed, and re-run the computerized audit. (See LIWAP Technical Manual Section X, Subsection B for more information.)

In order to reverify a client's income, the agency must have the client complete a new application and update the number of household members living in the home. The client is

required to provide current income documentation for all household members, or provide eligibility documentation from another program (see **B. Income Verification** above). Other application documentation, such as proof of home ownership or utility bills, **are not** required for reverification. The agency will use the current WAP income guidelines to determine income eligibility. The date of reverification must be entered into MoWAP and both the original and new application, with supporting documentation, must be kept in the physical client file and uploaded to MoWAP.

III. Client Selection

DED/DE has implemented a web-based database (MoWAP) to assist with reporting, tracking, data retention, etc. This web-based system assists with client selection through a standardized, points based waiting list that includes the following factors to determine waiting list priority: elderly, persons with disabilities, children, number of household members, household income, primary fuel type, date of application, and optional criteria such as January fuel cost, and, “Other” which would include emergency type of situations such as, “no heat” or “disaster”. If the January fuel cost is used as criteria for the optional client file points, it must be used for all client files throughout the course of the grant period.

A. Prioritized Client Selection

MoWAP automatically sorts the client file queues and Waiting List Report by County using a two-part selection method. The primary selection criteria is based on demographic priorities, (elderly, persons with disabilities, and children) the secondary selection criteria is based on the client selection points (number of household members, primary fuel type, very low income, waiting time, the optional points for the January fuel cost, and other). Both methods are calculated automatically on MoWAP using the client’s information. All client file queues on MoWAP will order the files first using the Demographic Priority criteria, and second using the Client Selection Points criteria.

Subgrantees must select clients based on the MoWAP demographic priority.

(Subgrantees may modify the MoWAP selection process by advancing some of the clients on the waiting list to allow the most efficient use of weatherization resources. An example of this type of variance may occur when special designated funding has been allocated to a subgrantee with specific client requirements and/or limited grant periods or a contractor is working in a specific geographic location.)

The selection method provides the subgrantee the means to assure those particularly vulnerable such as: (1) the elderly (defined as an individual 60 years of age or older); (2) the handicapped (as defined in Section 7(6) of the Rehabilitation Act of 1973); (3) the disabled [as defined in Section 1614(a)(3)(A) or 223(d)(1)]; or (4) those receiving benefits under Chapter 22 or 156 of Title 38, United States Code. Children are defined as dependents not more than 19 years old. Low-income dwellings, owned or rented, single or multi-family, are eligible for selection or addition to the waiting list.

MoWAP assigns waiting list points based on the following criteria:

1. Demographic Priority

MoWAP automatically prioritizes elderly, persons with disabilities, and children 19 and under. This is indicated by either the green or red icon on all client file queues. This is the primary client selection criteria.

2. Client Selection Points

MoWAP uses the following calculations to determine the client selection points. This is the secondary client selection criteria.

Points for number of household members

- 1-2 members = 0 points
- 3-4 members = 5 points
- 5-6 members = 10 points
- Over 6 members = 12 points

Points per Primary Fuel Type

- Natural Gas = ccf/therms for January multiplied by .27
- Electricity = kWh for January multiplied by .027
- Propane = Gallons for January multiplied by .36
- Fuel Oil = Gallons for January multiplied by .38
- Wood = 60 points

Points for Very Low Income

- “Household Income” / Income Eligibility: $t + ((m-1)*p)$ multiplied by the client’s Percentage of Poverty.
- If result <80% = 10 points
- If result <65% = 15 points
- If result <50% = 20 points

Points for Waiting Time

- Points = The number of months since the Application Signature Date multiplied by 2.

Points for Fuel Cost as High Percentage of Income (Optional)*

- January fuel cost / (Household Income / 12) = x
- If $x > .5$ (50%) then add 20 points

**If the January fuel cost is used as a criteria for the optional client file points, it must be used for all client files throughout the course of the grant period.*

****Other can be used to account for “No Heat” or other emergency situation**

B. Emergency Services

Subgrantees may provide emergency services (those that are DOE allowed measures) on an immediate basis to clients who can provide a letter from a board certified physician (MD-Medical Doctor, DO-Doctor of Osteopathy, or ND-Naturopathic Doctor) stating that the occupant’s life would be endangered due to physical conditions found in the client’s home.

For additional technical information regarding emergency services, please reference the LIWAP Technical Manual, Section II, Subsection B, Topic 5, 6, 7.

Households that do not have a functioning heat source, or there is a health and safety problem that may warrant shutting off a combustion appliance, (and the home does not fall within the subgrantee deferral policy; LIWAP Technical Manual, Section II, Subsection D), do not require a physician statement. During the months of **November through March**, clients that do not have a functioning heat source may receive immediate assistance, or given a higher priority on the waiting list. The subgrantee must verify that these conditions exist at the client's home, although additional verification may be requested.

Documentation of the need for emergency services and physician letters (if applicable) must be uploaded to the MoWAP client file. **The Work Order Measure Type for emergency services must be reported as "Emergency Replacement / Repair" in MoWAP client file.**

Additional policies that shall govern use of WAP funds for emergencies:

- Maximum cost limitations will be followed as with service to other clients.
- Only clients who are (1) eligible for the WAP and (2) on a subgrantee waiting list will receive services.

IV. Conflict of Interest Policy

Per DED Administrative Policies and Procedures:

No party to this subgrant, nor any officer, agent, or employee of either party to this subgrant, shall participate in any decision related to such subgrant which could result in a real or apparent conflict of interest, including any decision which would affect their personal or pecuniary interest, directly or indirectly.

The subgrantee is advised that, consistent with Chapter 105, RSMo, no state employee shall perform any service for consideration paid by the subgrantee for one year after termination of the employee's state employment by which the former state employee attempts to influence a decision of a state agency. A state employee who leaves state employment is permanently banned from performing any service for any consideration in relation to any case, decision, proceeding, or application in which the employee personally participated during state employment.

Subgrantee and State employees or their relatives shall not engage in any activity or employment in which there is significant potential for or the appearance of a conflict of interest with functions of LIWAP. Conflict of interest is any activity or employment which would tend to influence a decision; create a bias or prejudice which would favor one side or the other in conflict with the employee's duties; or which conflicts with the accomplishment of LIWAP's mission.

A "relative" is defined as an employee's spouse, child, grandchild, parent, grandparent, brother or sister (including half-brother and half-sister), their spouses, and the parent, brother, sister or child of

an employee's spouse; or a Domestic Partner (defined, *for the purposes of this policy only*, to mean: an adult (18 years of age or older) of the same sex or opposite sex who: (i) is not related to the employee under the definitions above; and (ii) who shares a primary residence, or otherwise is in a relationship of mutual financial support with the employee; and (iii) who intends to remain in such relationship for the indefinite future.

For purposes of this policy, "conflict of interest" describes any circumstance that would cast doubt on an employee's ability to act with objectivity in the performance of the duties of the LIWAP. Activities which could raise a question of conflict of interest include, but are not limited to, the following:

1. Having a direct connection to the weatherization process of one's own home, or a relative's home.
2. Having multiple duties within the subgrantee organization without oversight (segregation of duties).
3. Outside employment with a contracting firm that provides LIWAP services.

Subgrantee or State employment does not constitute an automatic bar from receiving LIWAP services. Employees with direct connection to LIWAP wishing to receive LIWAP services must contact DED/DE prior to applying for the program with an established plan of action to avoid a conflict of interest. If no conflict is determined, the subgrantee may proceed with the weatherization process. DED/DE may not provide reimbursement for homes weatherized in which there was a conflict of interest.

V. Dwelling Characteristics

A. Documentation Requirements

A subgrantee shall maintain a geographic cross-reference file that documents the WAP services performed on specific homes and shall consult this file prior to weatherizing a home to determine if the home has been previously weatherized. The subgrantee is required to record, on a high- quality, long-lasting material, in two locations, the name of the homeowner, the date the home was weatherized, and the agency job number.

In a site-built home, this information shall be attached to the basement floor joist (preferred), attic rafter, electrical panel, domestic water heater or heating system. For mobile homes, place this information on the heating system compartment (preferred), water heater compartment, electrical panel, domestic water heater or heating system. Until the information has been recorded, the home is not considered "completed." Subgrantee pre-inspectors shall not authorize WAP services before checking the above locations for proof of prior service.

People applying for re-weatherization (homes weatherized prior to September 30, 1994) must be placed on the waiting list in an order commensurate with the time of reapplication. Before further WAP services are approved, re-certification for income eligibility is required.

B. Dwelling Eligibility

1. Single Family

Single-family rental or owner-occupied units will remain the priority for weatherizing because multi-family units tend to not consume as much energy per family as single-family units. According to the federal regulations, homes previously weatherized before September 30, 1994 are eligible to be re-weatherized. Homes weatherized under this provision are counted as homes completed. On the MoWAP Intake screen the, “Previously Weatherized” dropdown box should be marked as, “Yes” and then the, “Date Last Weatherized” field must be completed. However, DOE reminds local agencies to be prudent in selecting previously weatherized homes to revisit due to the fact there remains more than 28 million federally eligible households that have received no Weatherization services to date.

2. Multi Family

Multi-family dwellings that receive WAP services must use the following guidance:

- a) Single-family unit cost limitations apply.
- b) Total cost may not exceed the maximum cost allowance multiplied by the total number of eligible units.
- c) A unit cost waiver does not apply.

3. Proof of Home Ownership

Proof of ownership is required to be provided by the client at the time of application. At least one of the following documents must be provided:

- a) A copy of a recorded Missouri Deed.
- b) A recorded mortgage agreement.
- c) A current, paid property tax receipt (dated less than one year prior to the application date) which contains the name of the applicant and the legal address of the property. NOTE: a mobile home may not be listed on a property tax receipt. In this circumstance a Property Assessment List from the County Assessor’s office with the mobile home’s VIN would need to accompany the paid property tax receipt.
- d) A copy of a current homeowner's insurance policy.
- e) Title or a recorded mortgage agreement for a mobile home.
- f) A Contract for Deed is an allowable document to provide proof of home ownership, however the contract must be recorded with the County Recorder of Deeds Office in the county where the home is located. The client must provide a copy of the recorded contract or an agency employee may verify that the contract has been recorded on the property's deed by contacting the County Recorder of Deeds Office. This verification must be included in the client’s file. If the Contract for Deed is not recorded, then the home must be considered a rental unit and rental procedures and policies would apply. (See VII. Rental Properties, Section 2).

- g) Probate Property Transfer is defined as any application received from an elderly person (or people) for whom the applicant has deeded the property to his or her offspring. The application will be reviewed for assurance that the property transfer took place in an effort to prevent probate issues. Provided proper assurances are in place, the property may be treated as “owned property” for purposes of weatherization. The proper assurances will include an interview with the applicant to determine why the property was deeded. If the response is appropriate to the issue, the offspring must sign an affidavit that they will not charge rent or displace the applicant as a result of weatherization. Each application must be reviewed on a case-by-case basis. In the event there are no related offspring to whom the property may be deeded, the ownership decision will be based on the interview. In any event, the “grantee” to the property must sign the appropriate affidavit.

4. Weatherizing Shelters

A shelter is defined in 10 CFR Part 440.3 as a dwelling unit or units whose principal purpose is to house, on a temporary basis, individuals who may or may not be related to one another and who are not living in nursing homes, prisons, or similar institutional care facilities.

Subgrantees are authorized to weatherize shelters for the homeless, group homes or homes providing transitional living if the buildings are owned or rented by a not-for-profit agency and are used exclusively to provide temporary living quarters for the homeless, battered women or other WAP-eligible people as defined under 10 CFR Part 440.3. To calculate the number of units, use either of the following methods.

- a) Square Footage: Divide the total square footage of living space by 800 and round to the nearest whole number. To determine allowable funding, multiply the rounded number by current allowed expenditure per home.
- b) Each Floor: Count each floor as a separate dwelling unit.

C. Homes Designated for Acquisition or Clearance

Homes located in areas designated for acquisition or clearance by a Federal, State or local program within 12 months from the date of weatherization of the dwelling unit shall not be weatherized. **In addition, a subgrantee may not begin weatherizing a dwelling unit if it is for sale or in foreclosure. If it is discovered after work has begun that the unit is for sale or in foreclosure, work should stop immediately and the State Weatherization Office should be notified.**

D. Homes Damaged By an Act of God

WAP funds may be used to weatherize a home previously weatherized if the home has been damaged by a fire, flood or events outside human control providing the repair of damages to the WAP materials is not paid for by insurance.

If a home has been partially damaged, damaged WAP materials may be replaced. A Subgrantee should identify this as a home on which additional work was required and charge the cost of materials to “Materials on Homes Completed.” It should not be reported as a new completion.

If the home has been significantly damaged, restored or completely rebuilt, it may be completely re-weatherized and reported to DED/DE as a newly completed home. People applying for re-weatherization must be placed on the waiting list in an order that corresponds to the time of reapplication. Before further WAP services are approved, recertification for income eligibility is required.

E. Flood Plain

Federal funds may not be used to weatherize a home located in an area that has been identified by the Federal Emergency Management Agency (FEMA) as a flood plain if the community in which the home is located has chosen not to participate in the National Flood Insurance Program (NFIP) (Section 102(a) of the Flood Disaster Protection Act of 1973, Public Law 93-234, 87 Statute 975).

FEMA identifies a community as a village, town, city or county. If a community with an identified flood plain is not a participant in the NFIP, the community is “sanctioned,” meaning that federal funds may not be used for projects located within the flood plain area. Therefore, individual eligibility for WAP services in the area depends upon community participation in the NFIP.

For copies of the *National Flood Insurance Program Community Status Book*, which identifies sanctioned communities, please visit: <http://www.fema.gov/national-flood-insurance-program/national-flood-insurance-program-community-status-book>

write or call:

Federal Emergency Management Agency (FEMA)
Region VII
9221 Ward Parkway, Suite 300
Kansas City, Missouri 64114-3372
Telephone: (816) 283-7061

FEMA has prepared maps that identify flood plains. A home located in a sanctioned community, but not within the flood plain, may be weatherized. Copies may be obtained through the local county or municipal government.

VI. Disaster Plan

Declaration of a disaster for WAP purposes is determined by a Presidential or Gubernatorial order declaring either a Federal or State emergency. It may be the result of natural or man-made factors. The DED/DE Weatherization Assistance Program, through its subgrantee network, will assist state and community authorities in normalizing areas affected by a disaster by providing WAP resources, in a limited capacity, to assist Missouri low-income citizens in recovering and

rebuilding after the disaster. As per DOE Weatherization Program Notice 12-07, the use of DOE WAP funds is limited to eligible weatherization activities and the purchase and delivery of weatherization materials. The Weatherization Program will adhere to the following guidelines when responding to any disasters in which the low-income population has been affected. These guidelines are intended to maximize the assistance we are able to provide while protecting the limited resources of the program.

Disaster-mitigation planning activities shall be implemented as soon as practical after the declaration of a disaster. A WAP subgrantee shall not commit WAP resources (labor or financial) until it receives approval from the DED/DE.

Any additional disaster-related funds will be allocated based on the extent of the disaster in each subgrantee area. Funds must supplement, not supplant, other funds available for disaster assistance. All funds received by the client to cover damages must be considered prior to the allocation of WAP resources. Attachment 2-2, the Disaster Certification form located in the Missouri Weatherization Program Operational Manual, should be completed for each client requesting disaster assistance.

Safety measures, such as levees or other protections, should be in place prior to mitigation activities. Agency staff should consult with local utilities to ensure electric, gas and sewer hazards have been corrected or repaired.

A. Allowable Disaster Activities

Allowable expenditures under WAP include:

1. The cost of incidental repairs to an eligible dwelling unit if such repairs are necessary to make the installation of weatherization materials effective and,
2. The cost of eliminating health and safety hazards, elimination of which is necessary before the installation of weatherization materials (10 CFR 440.18(d)(9); 10 CFR 440.18(d)(15)). To the extent that the services are in support of eligible weatherization (or permissible re-weatherization) work, such expenditure would be allowable. For example, debris removal at a dwelling unit so that the unit can be weatherized would be an allowable cost. Debris removal from a dwelling unit that is not to be weatherized would not be an allowable cost. Please note that the \$6,987 per dwelling unit limit continues to apply.

NOTE: Permissible re-weatherization as per DOE guidelines state: In the event of a declared Federal or State disaster, weatherization crews may return to a unit reported as a completion to DOE that has been “damaged by fire, flood or act of God to be re-weatherized, without regard to date of weatherization”. 10 CFR 440.18(f)(2)(ii). Local authorities must deem the dwelling unit(s) salvageable as well as habitable and if the damage to the materials is not covered by insurance or other form of compensation.

3. Weatherization personnel can be paid from DOE funds to perform functions related to protecting the DOE investment. Such activities include: securing weatherization materials, tools, equipment, weatherization vehicles, or protection of local agency

weatherization files, records and the like during the initial phase of the disaster response. Using DOE funds to pay for weatherization personnel to perform relief work in the community as a result of a disaster is not allowable.

4. Local agencies may use weatherization vehicles and/or equipment to help assist in disaster relief provided the WAP is reimbursed according to the DOE Financial Assistance Regulations 10 CFR Part 600.

The following ECM priority list is recommended for Weatherization eligible disaster homes:

- Labor for gutting damaged components of the house and debris clean up.
- Primary heating system replacement and repair (including ductwork repair; replacement, cleaning and sealing of all joints; and venting, flue and chimney replacement, repair and cleaning).
- Domestic water heaters (venting and flues included).
- Window and door repair and/or replacement.
- Air sealing (basic infiltration and exfiltration work).
- Attic insulation and ceiling coverage.
- Wall insulation.
- Restoration of electrical power (from electrical meter into the house).
- Increased incidental and Repair costs (DOE approval must be given).
- Specific procedures to weatherize mobile homes under the disaster provisions which are found in Attachment 2-3, Procedures for Weatherizing Flood-Damaged Mobile Homes, in the Missouri Weatherization Program Operational Manual.

B. Eligibility Requirements

WAP subgrantees must ensure that applicants for disaster assistance

- Meet the current eligibility requirements.
- Are located within the designated disaster area.
- Have been directly affected by the disaster. Homes located in a FEMA-sanctioned area are not eligible for assistance.

Applicant homes must be certified as habitable, and a disaster certification form must be completed, signed and retained in the client file. The owner of a rental unit must list the property with Section 8 or provide other proof that the unit will remain exclusively for the low-income. The normal landlord cash contribution will be required.

Client income eligibility may be based on one month's income if all other income documentation was lost in the disaster. WAP rules require that priority be given to identifying and providing weatherization assistance to elderly persons, persons with disabilities, families with children, high residential energy users, and households with high energy burdens (10 CFR 440.16(b)). However, it would be permissible to consider households located in the disaster area, as a priority as long as the households are eligible and meet one of the priorities established in regulation and are free and clear of any insurance claim or other form of compensation resulting from damage incurred from the disaster.

Eligible disaster victims needing heating system or water heater repair or replacements will be served first.

Disaster-damaged homes may be re-weatherized without regard to the initial date of weatherization if the damage is not covered by insurance or other form of compensation. Victims may receive repair or replacement to domestic hot water heaters as a health-and-safety measure. Repairs to the building structure that exceed the DOE average expenditure per home limits must be approved by the state.

C. Equipment Procurement

All purchased items should meet minimum energy-efficiency ratings as detailed in 10 CFR 440, Appendix A. Subgrantees must comply with all requirements specified in 10 CFR Parts 600 and 440, OMB A-87 (if applicable), OMB A-122 (if applicable), and the requirements specified in the DED General Terms and Conditions for Federal Subgrants, Missouri Weatherization Operational Program Manual's Competitive Procurement Standards.

D. Additional Funding

If additional funds are received from the department or other non-DOE fund sources, a subgrantee may allocate up to \$10,000 per unit. If no additional funds are received, the state plan cost limits apply. Program operations money may be used to support mitigation and clean-up activities for WAP eligible homes. No additional administrative funds will be provided for disaster work.

E. Disaster Expenditures Accountability and Reporting

Disaster expenditures must be accounted for and reported separately from other costs. The monthly MoWAP reimbursement must show these expenses under "disaster". The costs will be included in the averages.

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VII. Rental Properties

Each subgrantee must solicit property owners to contribute to the upgrades on all rental units.

A. Special Requirements

DED/DE permits rental units to be weatherized using special considerations. When work is performed on any type of rental unit, DED/DE recognizes a potential for owners to receive undue enhancement benefits. A building containing rental units may be weatherized if it is in compliance with income criteria and:

- The subgrantee has written permission from the owner or his agent. Such written permission shall be uploaded onto MoWAP on the Client File whose unit is weatherized. (See *Attachment 2-4* for Owner/Authorized Agent Certification).

- Not less than 66 percent (50 percent for duplexes and four-unit buildings, and certain eligible types of large multi-family buildings) of the dwelling units in the building:
 - (1) Are eligible dwelling units;
 - (2) Will become eligible dwelling units within 180 days under a local government, state, or federal program for rehabilitating a building, or making similar improvements, to the building.

In the Final Rule, published in the Friday, December 8, 2000, Federal Register/Vol. 65, No, 237, DOE offered flexibility by adding certain eligible types of large multi-family buildings to the list of dwellings that are exempt from the requirement that at least 66 percent of the units must be occupied by income eligible persons. In these large multi-family buildings, as few as 50 percent of the units, would have to be certified as eligible before Weatherization can be offered. This exception would apply only to those large multi-family buildings where an investment of DOE funds would result in a significant energy-efficiency improvement because of the upgrades to equipment, energy systems, common space, or the building shell. By providing this flexibility, local agencies will be better able to select the most cost effective investments and enhance their partnership efforts in attracting leveraged funds and/or landlord contributions. This flexibility does not apply to any other type of multifamily unit.

- The subgrantee has a signed statement from the landlord that rent will not be increased because of the WAP service that has been provided. (See *Attachment 2-4* for Owner/Authorized Agent Certification.)

Not unduly or excessively enhanced the value of large multi-family structures. A cost analysis shall be performed as required in the Missouri WAP Plan.

B. Contributions

The DED/DE recognizes a potential for owners to receive undue enhancement benefits. Therefore a subgrantee is required to negotiate with an owner/landlord for match contribution. Landlords must provide a minimum of a five percent (5%) cash contribution of estimated labor and material project costs before weatherization work can begin on a home. This requirement will take effect for any Weatherization applications approved after July 1, 2008.

The requirement that the owner/landlord provide a minimum of a five percent (5%) cash contribution to the project will be waived if the owner/landlord's annual taxable income is at or below two hundred percent (200%) of the federal poverty level. Definition, verification, and documentation of owner/landlord income will follow the same guidelines as client income definition, verification, and documentation as outlined on page 1, Section 2, items A. and B. and on attachment 2-1.

The amount of contribution above the minimum required five percent (5%) cash contribution is left to the judgment of the subgrantee. However, for multi-family structures with five or more units, the State has determined the owner/landlord will be required to contribute a

minimum of a twenty-five percent (25%) of the weatherization project cost. A subgrantee is urged to coordinate this service with other resources whenever possible to achieve maximum benefits.

Contributions received from the owner/landlord are not to be reported as Program Income and must be applied to the cost of the home being weatherized in order to reduce that home's weatherization expenditures. Unless landlord income eligibility is determined, a minimum of 5% of the estimated work order costs must be contributed towards the labor and material costs of the home. The landlord contribution is entered on the MoWAP client file during the 'Pre-Audit' stage.

C. Undue Enhancement

Undue enhancement is any work performed on a dwelling that cannot be expected to directly result in energy savings or the preservation of agency-installed work related to energy savings. Rental units are not eligible to receive furnace, refrigerator, water heater or air conditioner replacements as this has been determined to be undue enhancement. Subgrantees should only perform weatherization work that is based on the use of NEAT or MHEA weatherization measures, as well as limiting repairs to the definition of incidental repairs.

D. Dispute Resolution Procedures Involving Rental Units

In the event the client believes the Owner/Authorized Agent Certification agreement has been violated, he or she may notify the subgrantee providing WAP services. The subgrantee must make an effort to apprise the landlord of the situation. If the landlord does not agree to correct the alleged violation, the subgrantee must defer to DED/DE. DED/DE will make all efforts to contact the landlord and resolve the complaint. If the situation cannot be resolved at the DED/DE level, DED/DE will advise the subgrantee to request the client/tenant to contact Legal Services of Missouri. (See *Attachment 2-5* for Legal Services of Missouri). The subgrantee will be responsible for following up with the client to determine if the complaint was resolved. DED/DE must be notified that a resolution was reached.

VIII. Client Education

Client education is an effective method of improving the impact of WAP measures. These efforts include fact sheets, brochures, the State DED/DE WAP website, and one-on-one contact. Subgrantees play a vital role in expanding client education activities at the local level. Local activities include client workshops, providing Energy Saver Booklets, client interviews and instruction when auditing and final inspecting the home, the explanation of information found in the Lead and Mold EPA pamphlets, local newspaper articles, and radio and television spots.